THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (d) No, Sir. There is no evidence of any adverse impact of global recession on the performance of industrial sector as well as services sector, rather industry has stimulated overall growth, despite a decline in agriculture. As per the latest data on Index of Industrial Production (IIP) released by Central Statistical Organisation (CSO) industrial production registered a growth of 5.5% during April-January 2002-03 as compared to 2.6% in the same period last year. Services sector is also growing at a reasonably good pace. Exports are also growing at a rate faster than that targeted. The latest figures on exports for April-February 2002-03 show an impressive increase of 16.7% and the manufactured exports constitute around 80% of total exports from India. Other indicators of industrial performance namely, growth in six infrastructure industries, capital goods, foreign exchange reserves and non-food credit continue to register good growth rates. The Government of India has taken a number of steps including enhancement of allocations towards some of the major schemes, which will boost demand, especially in construction, housing, steel and cement sectors. To improve operating enviroment of the industry and to boost its competitiveness, the Government has enacted several laws.

Slow growth rate

†2659. SHRI MOOLCHAND MEENA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Planning Commission has observed that as the States do not have sufficient financial resources it is difficult for them to achieve the targeted growth rate of eight per cent during the Tenth Five Year Plan; and

(b) if so, the details of the steps Government propose to take to achieve the target?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) No, Sir. The Tenth Plan (2002–07) has

†Original notice of the question was received in Hindi.

emphasised that achievement of the target of 8 per cent average annual growth requires a combination of an increase in investible resources and an increase in the efficiency of resource use. The targeted growth is considered feasible as the scope for realising improvements in efficiency is very large, both in the public and private sectors.

(b) The Union Budget 2003-04 has proposed a number of initiatives such as promoting infrastructure by leveraging public money through private sector partnership and measures aimed at fiscal consolidation.

Cut in allocations for social sector projects

2660. SHRIMATI BIMBA RAIKAR: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government propose to slash the allocations for social sectors for the year 2003-04 by capping the same at Rs. 1,00,000 crores;

(b) whether the Planning Commission has recommended allocation of a minimum of Rs. 1,34,000 crores for social sectors during 2003-04; and

(c) whether the slashing of allocation would adversely affect the on-going projects/programmes of education and rural development sectors?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) The Central Plan outlay for social sector, including education and rural development, has been increased from Rs. 37350 crore in 2002-03 (BE) to Rs. 39870 crore in 2003-04(BE).

(b) No, Sir.

(c) Does not arise.